
Joint Release

**Board of Governors of the Federal Reserve System
Consumer Financial Protection Bureau
Federal Deposit Insurance Corporation
Federal Housing Finance Agency
National Credit Union Administration
Office of the Comptroller of the Currency**

For Immediate Release

July 10, 2013

Agencies Issue Proposed Rule to Exempt Subset of Higher-Priced Mortgage Loans from Appraisal Requirements

WASHINGTON— Six federal financial regulatory agencies today issued a proposed rule that would create exemptions from certain appraisal requirements for a subset of higher-priced mortgage loans. The proposed exemptions are intended to save borrowers time and money and to promote the safety and soundness of creditors. The appraisal requirements for higher-priced mortgages were imposed by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). Under the Dodd-Frank Act, mortgage loans are considered to be higher-priced if they are secured by a consumer's home and have interest rates above a certain threshold.

The proposed rule would provide that the following three types of higher-priced mortgage loans would be exempt from the Dodd-Frank Act appraisal requirements: loans of \$25,000 or less; certain "streamlined" refinancings; and certain loans secured by manufactured housing.

In January 2013, a final rule implementing the new Dodd-Frank Act appraisal requirements was issued by the Federal Reserve Board, the Consumer Financial Protection Bureau, the Federal Deposit Insurance Corporation, the Federal Housing Finance Agency, the National Credit Union Administration, and the Office of the Comptroller of the Currency. Compliance with the final rule will become mandatory on January 18, 2014. These same agencies are jointly issuing the proposed rule on additional exemptions in response to public comments previously received.

The Federal Register notice is attached. The agencies are seeking comments from the public on all aspects of the proposal. The public will have until September 9, 2013, to review and comment on most of the proposal. However, comments related to the proposed Paperwork Reduction Act analysis will be due 60 days after the rule is published in the Federal Register. Publication of the proposal in the Federal Register is expected shortly.

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Attachment: Proposed Rule on Higher-Priced Mortgages - PDF (PDF Help)

Media Contacts:

Federal Reserve
CFPB
FDIC
FHFA
NCUA
OCC
FDIC: PR-62-2013

Susan Stawick	(202) 452-2955
Moira Vahey	(202) 435-9151
Greg Hernandez	(202) 898-6993
Stefanie Johnson	(202) 649-3030
John Fairbanks	(703) 518-6336
Bryan Hubbard	(202) 649-6870